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# BCTGM *News*

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## The Healthcare Debate





# *the* PRESIDENT'S MESSAGE

## Standing in the Way of Change

*"If we are able to stop Obama on (health care), it will...break him."*

—**Senator Jim DeMint,**  
**Republican of South Carolina**

*"This isn't about me. This isn't about politics. This is about a health care system that is breaking America's families, breaking America's businesses and breaking America's economy."*

—**President Barack Obama**

The last eight months have made it abundantly clear that changing the way business is done in Washington is going to be a monumental challenge. Barack Obama won the presidential election in a landslide on a platform of creating a bold new policy direction for the country—away from the harsh policies that rewarded corporate greed and toward policies that create a government that is more caring and supportive of its citizens.

Despite the clear message from voters last November, congressional Republicans and more than a handful of Democrats are resisting the change President Obama promised and the voters demanded. Nowhere is this disconnect more evident than in the battle to reform our nation's broken health care system.

The health insurance and pharmaceutical industries are once again lavishing massive financial contributions on our elected representatives and spending millions of dollars on a deceitful, vicious advertising campaign to stop effective health care reform legislation; legislation that will lower health insurance and prescription costs for workers and their families, force freeloading companies to provide health insurance for their employees and guarantee affordable, quality health care coverage for all Americans.

The very same senators and representatives who take the contributions and oppose fixing the system enjoy the finest health care coverage in the world for themselves and their families—all paid for by the U.S. taxpayer.

In fact, at a recent town hall meeting in Iowa, a citizen asked Senator Grassley how he could get the same quality health care coverage that the Senator had. Senator Grassley—a Republican and one of the fiercest opponents of government support for health care (except when it comes to himself)—cynically responded, "Go work for the federal government."

It is this type of hypocrisy and insensitivity on the part of elected officials that the American people voted to end last November.

In the Boardrooms of the largest insurance companies in the country, the discussion is always about how to increase profits and never about finding ways to lower costs and provide families with better, more affordable coverage. They squeeze ever-greater profits by denying as many claims as possible and charging people more and more for coverage. There is a reason the tallest,

most spectacular towers in any city are owned by the insurance companies.

Their mission is to make the largest profit possible, not to provide health care for the premium payers.

When elected officials are beholden to the health insurance companies rather than to our citizens, progress and fairness don't have a chance. This insidious relationship is the primary reason the United States is the only industrialized country in the world that doesn't guarantee quality health care for all of its citizens.

And the very same politicians who would deny health care coverage for all Americans are out there every day fighting to deny workers the right to organize and form a union where they work.

The very same corporate interests that are spending millions of dollars to defeat health care reform are spending even greater sums to defeat legitimate labor law reform and the Employee Free Choice Act.




This is the stranglehold insurance companies and big corporations have over health care and labor policy in this country that President Obama is trying to break.

He never took campaign contributions from corporations and owes his election to working people. The President stands independent. And his strongest and most reliable ally in the struggle to change the way government treats its citizens is the American labor movement.

President Obama's success or failure will have an enormous impact on working families and our American democracy for decades to come.

**Frank Hurt**

*BCTGM International President*

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# Bittersweet Victory for Stella D'oro Local 50 Members

**O**n July 7, with passing subway trains, trucks and buses honking their support, BCTGM Local 50 (New York, N.Y.) members of the Stella D'oro Biscuit Company chanted, "The workers united will never be defeated!" as they filed through the gates of the Bronx bakery.

Their sense of solidarity and victory was hard-earned: they had gone out on strike in August 2008 and kept up a picket line through the fall, winter and spring, during a deepening recession and into a new summer. The workers remain proud that not one union member crossed the picket line.

On July 6, a National Labor Relations Board (NLRB) Administrative Law Judge (ALJ) ordered the company to reinstate the 136 striking workers. But before they could even walk through the plant's gates, they were greeted with the anti-union response by the company's private equity



have been on the job between 10 and 20 years, and all are skilled workers. Yet, Brynwood has said that many Stella D'oro workers should be earning a minimum wage since "anyone can do their job."

"Our intention is to stop them from closing the plant down," said Alston.

Once the strike started, management brought in replacement workers, unilaterally instituted the cuts and offered jobs at the lower wages to any employee who crossed the line.

Alston attributed Brynwood's decision to close the Bronx bakery as "retaliation" for the ALJ's decision. "If it's not being vindictive, then put the company up for sale and let a viable company buy so workers can keep their jobs," she urged Brynwood.

The local has challenged the plant closing by filing an unfair labor practice charge against Brynwood for "retaliation." Subsequently, Local 50 petitioned the regional director of the NLRB to ask a federal judge to issue an injunction (under section 10J of the NLRA) to prevent Brynwood from closing the bakery.

The local has also reached out to New York politicians including Representative Eliot Engel (D-N.Y.), who supported the workers throughout the strike. On the floor of Congress, Rep. Engel spoke out against Brynwood's decision to shut down the plant. The Congressman also sent a letter to the NLRB supporting the issuance of an injunction.

firm owners—Brynwood Partners announced it would shut down the bakery in October.

Established more than 75 years ago, Stella D'oro is a nationally known maker of specialty baked goods and until recently was a family-owned business. But a series of corporate buyouts ultimately resulted in Brynwood's 2006 purchase of the company.

The ALJ ordered the workers reinstated because the company refused to provide financial information justifying the 20 percent wage cuts, elimination of pensions and slashing of paid vacation days it demanded of the workers. The judge also found the company prematurely and illegally declared negotiations at an impasse, forcing workers to strike. In May, when workers made an offer to end the strike and return to work under the old contract, the company illegally insisted workers accept the concessions as a condition for returning.

"We're not asking for enormous raises or anything else, we're just asking to keep what we already had," said Local 50 President Joyce Alston.

The Local 50 members survived on \$100 a week from the International's strike fund and extraordinary support from the New York labor movement. Most



# TRUMKA

## Announces Candidacy for AFL-CIO President

**A**FL-CIO Secretary-Treasurer Richard Trumka on July 9 announced his candidacy for president of the AFL-CIO to succeed the retiring John Sweeney. Trumka has served as AFL-CIO secretary-treasurer since 1995.

At a rally that drew several hundred supporters—including BCTGM International Executive Officers—at the University of the District of Columbia in Washington, D.C., Trumka also introduced his running mates. Joining Trumka on the ticket are Liz Shuler, executive assistant to the Electrical Workers (IBEW) President Edwin Hill, for secretary-treasurer and incumbent AFL-CIO Executive Vice President Arlene Holt Baker for re-election. This marks the first time two women have run for the AFL-CIO's top offices.

No other candidates for the top three leadership positions have announced. Earlier this year,

BCTGM Intl. Pres. Frank Hurt (left) congratulates AFL-CIO Secy.-Treas. Rich Trumka (right) on his candidacy for AFL-CIO presidency.

AFL-CIO President John Sweeney announced he was retiring when his fourth term as president expires in September. Delegates to the AFL-CIO's 26th Constitutional Convention meeting in Pittsburgh September 13-17 will elect the AFL-CIO's new officers.

In a joint statement, Trumka, Shuler and Holt Baker note that the labor movement “faces tremendous challenges,” including

an unregulated global economy, labor laws that favor employers over workers and a political system in which the wealthy wield far too much influence.

“At the same time, we have historic opportunity, with a president and Congress we elected, to overcome these challenges. Our most important task is to make sure our economy creates jobs. And we are keenly aware that we must look within our movement for answers about how we can create full employment, organize workers and make sure workers prosper in the 21st century,” the statement concludes.”

“We also take this opportunity to commend John Sweeney for his outstanding tenure as AFL-CIO President and a career devoted to working men and women. The BCTGM extends our very best wishes to Brother Sweeney and his family,” Hurt concluded.

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*For more information on the Trumka, Shuler, Holt Baker ticket, visit [www.TogetherWeCanTogetherWeWill.com](http://www.TogetherWeCanTogetherWeWill.com).*



The three executive officer candidates for the leadership of the AFL-CIO are AFL-CIO Exec. Vice Pres. Arlene Holt Baker (left), AFL-CIO Secy.-Treas. Rich Trumka (center), and Liz Shuler (right), executive assistant to IBEW Pres. Edwin Hill.



# Minnesota Supreme Court Rules

## Franken Winner in Senate Race

**O**n July 7, after a long, hard campaign and almost eight months of vote counting and litigation, Al Franken was sworn in as the newest U.S. senator representing Minnesota. Franken marked his first day in office by signing on as a co-sponsor to a bill for the first time: the Employee Free Choice Act.

Franken was endorsed by the BCTGM and the AFL-CIO last year and union members worked hard on his behalf.

Franken announced his co-sponsorship of the Employee Free Choice Act at a reception at the AFL-CIO, where Minnesota leaders like former Vice President Walter Mondale and Sen. Amy Klobuchar helped union members and leaders welcome him to Washington, D.C. BCTGM International President Frank Hurt, Secretary-Treasurer David B. Durkee and Executive Vice President Joe Thibodeau attended that reception as well as BCTGM Local 167G (Grand Forks, N.D.) member Mark Fromke.

Franken, a strong supporter of workers' freedom to form unions and bargain, said his membership in four unions—AFTRA, SAG, WGAE and DGA—gave him, wife Franni, and his family the opportunities that all working families deserve.

“Because of my membership in those unions, Franni and I had health care during the campaign. Because of my membership in those unions, we have a pension.

“We need to level the playing field. Unions built the middle class in this country, but we’ve seen the playing field become a steep hill. We’ve seen a great risk shift in this country,” said Franken.



BCTGM Local 167G (Grand Forks, N.D.) member Tony St. Michel (left) worked hard on behalf of Minnesota Senator Al Franken. St. Michel is pictured here with the newly seated Senator (right) at a rally on July 1.



Minnesota Senator Al Franken (left) thanks Intl. Pres. Frank Hurt (right) for the support of the BCTGM.



BCTGM members pose for a photo with Minnesota Senator Amy Klobuchar at the July 1 rally. Pictured from left to right is L. 267G (Crookston, Minn.) member LaVonne Halland, L. 167G (Grand Forks, N.D.) member Tony St. Michel, Senator Klobuchar and L. 167G member Mark Fromke.

# National Labor College Workers Memorial

**O**n April 28, Workers Memorial Day, workers were remembered by their co-workers, family and friends who placed bricks in their memory as part of the groundbreaking ceremonies for the new National Workers Memorial at the National Labor College (NLC) in Silver Spring, Md.

Hundreds of people who lost a loved one who was killed on

the job have sponsored bricks for the memorial, which will be constructed at the center of the NLC campus.

The first brick was dedicated by Bricklayers (BAC) President John Flynn to BAC member Louis Mitchell, who died in 2007. The second, sponsored by AFL-CIO Secretary-Treasurer Richard Trumka, honored his father, Frank, a Pennsylvania mine worker, who died in 1999 of black lung disease.

His brick tells the story, Trumka said, “of broken lives, of a man who went out every day to work in the mines and brought home a piece of illness every day.”

Labor Secretary Hilda Solis, who spoke at the groundbreaking, dedicated a brick for the memorial to be engraved in honor of Gary Jensen, a Mine Safety and Health Administration inspector killed in a 2007 mine collapse and all the workers of the Department of Labor who have died trying to make workplace safety and health and workplace justice a reality for all workers.

For a contribution of \$125, a supporter may have the name of a fallen brother or sister engraved on a brick. Each brick will bear the name of the deceased, the date of death and the name of their union or occupation. The college will keep track of the location of each brick, and publish a directory of the names.

The BCTGM has purchased several granite benches which will run through sections of the memorial that will be adorned



Bricks of Remembrance will fill the National Workers Memorial.

*“Pray for the dead, but fight like hell for the living.”*

—Mother Jones



Labor Secretary Hilda Solis dedicates a brick for the memorial to be engraved in honor of a MSHA inspector killed in a 2007 mine collapse.

with the BCTGM Union Label. The benches will honor fallen workers within our industries.

Contributions will support the cost of erecting, maintaining and administering the memorial. A portion of these funds will also support the annual Workers' Memorial Day Ceremony, held in April at the National Labor College. Remaining funds will provide general support to the college's work, including important Health and Safety programs.

To purchase a workers memorial brick visit: [https://www.supportnlc.org/Wrkr\\_Mem\\_Brick\\_App.php](https://www.supportnlc.org/Wrkr_Mem_Brick_App.php)

You may also contact the National Labor College at 1-800-462-4237 to request a National Workers Memorial dedication form.



# Report Confirms Employer Opposition to Organizing on the Rise

**M**any of those opposed to unionization—namely corporate interests and the politicians that represent them in Congress—regularly claim that workers have a free choice in deciding whether or not to join a union. They claim that federal law protects a workers' right to choose to organize, and insist that labor law reform is not necessary.

A new report by Cornell professor Kate Bronfenbrenner puts those falsehoods clearly to rest. In *"No Holds Barred: The Intensification of Employer Opposition to Organizing"* Bronfenbrenner presents a comprehensive analysis of employers' behavior during organizing drives. Not surprisingly, Bronfenbrenner found that it has become standard practice for workers to be subjected to illegal threats, interrogation, harassment, surveillance, and retaliation for supporting a union. The report finds that:

- 63% of employers interrogate workers in mandatory one-on-one meetings with their supervisors about support for the union;
- 54% of employers threaten workers in such meetings;
- 57% of employers threaten to close the worksite;
- 47% of employers threaten to cut wages and benefits; and
- 34% of employers fire workers.

The report also concludes that there has been an increase in the use of more coercive and retaliatory tactics by employers, such as plant closing threats and actual plant closings, discharges, harassment and other discipline, surveillance, and alteration of benefits and conditions.

According to BCTGM International President Frank Hurt, the increase in the use of severe anti-union tactics is not surprising. "Employers know that they can get away with almost anything and there is nothing to deter them from doing so," said Hurt.

Indeed, the report found that even if employers are found guilty of illegal activity by the National Labor Relations Board, the majority of employers tend to appeal most administrative law judge decisions, particularly Gissel bargaining orders and orders for second elections. In effect, this means that employers that openly ignore the law can delay

their cases by three to five years, denying workers the right to form a union. And even if after a long court battle the employer is found guilty, the penalties are minimal; at worst back-pay for a fired worker.

According to BCTGM Secretary-Treasurer/Director of Organization David B. Durkee, the findings in the report clearly indicate that the system governing labor relations in the United States is broken. "It is clear that the will of millions of non-union workers is being thwarted by a regulatory regime that does not hold employers accountable to the law and does not provide a deterrent to employers," said Durkee.

## System of Dysfunction

Seven years ago, workers at Consolidated Biscuit Company (CBC) in McComb, Ohio (a co-packer for Nabisco/Kraft Foods) wanted to join the BCTGM. During the course of the initial organizing drive, CBC managers broke dozens of federal labor laws, including firing workers because of their pro-union status. Over the next six years, CBC delayed resolution of those charges, ignored National Labor Relations Board (NLRB) settlements, and continued to violate the law to ensure its workers did not have the opportunity to join the BCTGM.

**March 2002:** CBC workers contact BCTGM to form a union.

**May 2002:** Petition filed with NLRB for election.

**June 2002:** BCTGM files dozens of unfair labor practice (ULP) charges against CBC.

**August 2002:** BCTGM loses election; union supporters fired days after election.

**Feb. 2003:** NLRB issues complaint against CBC and sets trial date in front of an administrative law judge (ALJ).

**Sept. 2003:** Trial concludes.

**Jan. 2004:** CBC found guilty. Company appeals decision.

**Sept. 2004:** NLRB issues new complaints against CBC after more ULP's are filed against Company.

**April 2006:** NLRB upholds decision by ALJ. CBC refuses to comply.

**May 2006:** NLRB petitions 6th Circuit Court of Appeals to enforce the decision.

**Nov. 2008:** 6th Circuit upholds NLRB decision against CBC. Fired workers are reinstated with back pay.

**Feb. 2009:** NLRB issues additional complaints against CBC for further ULP's and for not complying with original settlements.

**June 2009:** NLRB proposes yet another settlement even though CBC has ignored previous settlements. Union objects and requests 10J Gissel bargaining order which would certify union and initiate bargaining.

# AFL-CIO 2009 Health Care for America Survey Results

**T**he results of the online 2009 Health Care for America Survey, sponsored by the AFL-CIO and Working America, reveal deep problems that must be fixed. A total of 23,460 people responded to the survey, which was conducted between April 1 and May 31, 2009. And more than 6,000 people took the time to tell heart-wrenching stories about the toll of health care costs, lack of insurance, systemic flaws in our health care system and the economic downturn.

The survey confirms that every day, people are being forced to make life-and-death decisions: Pay the health care premiums or buy the life-saving prescription? Chip away at credit card debt or skip the required care for a serious chronic condition? Nearly everyone is dissatisfied with health care costs—including almost three-quarters of people with insurance. As one woman wrote, “My insurance deductible equals four to five months of take home pay each year. My insurance bill is split with my employer but equals two days of pay each month. How am I supposed to go to a doctor?”

As this publication was going to press, congressional committees were writing health care reform legislation. The results of this survey will be given to members of Congress and the Administration, as well as the media and state and local leaders. From the extensive survey responses—and even more poignantly, from the personal stories—policymakers will learn about the everyday impact of our disintegrating health care system.

Congress and the Administration must hear that health care reform is urgent. First, people need relief from the pressure of untenable health care costs that are bankrupting families, endangering health and hobbling businesses. Second, the insurance

system is failing working families. The public is extremely dissatisfied and demanding change. Survey respondents overwhelmingly support stronger rules and standards for insurance companies and a public health insurance option for those who choose it.

## Among the survey's findings:

- **More than half say they cannot get the health care they need at a price they can afford**, and the problem is even more acute among people who buy their own insurance, Hispanics and young adults.
- **A third of all respondents forgo basic medical care because of costs.** More than one-quarter of people with insurance—and three-quarters of those without insurance—report skipping basic health care services such as doctor-recommended tests and treatments and visiting a doctor when sick.
- **Fully 43 percent of people with insurance say they are not able to get the care they need at a price they can afford.** And 80 percent of those with insurance say their health care costs increased this past year, with 34 percent saying they increased a lot.
- **Nearly a quarter of respondents say** someone in their household lost health care coverage in the past year because of losing or changing jobs.
- **One-quarter of those without health insurance say** they were denied coverage in the past year due to “pre-existing conditions.”
- **Health care is costlier and harder to access** for people who cannot get employer-provided coverage or Medicare and buy insurance in the private market. Sixty-two percent of them say they cannot get the care they need at an affordable price, compared with 39 percent of people with employer-provided coverage.
- **96 percent of the uninsured say** they cannot get the care they need at an affordable cost.
- **Three-quarters of respondents (76 percent)** are dissatisfied with their household's health care costs. Two-thirds are dissatisfied with their health care coverage. More than one-third are dissatisfied with their household's access to care and the quality of care they receive.
- **Ninety-seven percent of people** who took the survey, including 96 percent of those with insurance, say that given the current economic crisis, health care reform is urgent.
- **By far, most people (83 percent) say** health insurers have too much influence on their health care and treatment.

To read the full results of the AFL-CIO's 2009 Health Care Survey visit:  
[www.aflcio.org/issues/healthcare/survey/](http://www.aflcio.org/issues/healthcare/survey/)





# Health Care Reform

**T**he BCTGM continues to tell members of Congress that comprehensive health care reform must lower costs, improve quality and cover everyone.

According to BCTGM International President Frank Hurt, “Working families are desperate for a solution that encourages choice, competition and opportunity for all Americans to choose the health care that works for them.”

***“Working people who are covered by collective bargaining agreements should not be penalized by having their health benefits taxed.”***

—BCTGM Intl. Pres. Frank Hurt

However, adds Hurt, the proposal to finance health care reform through a tax on employer-provided health coverage will never be supported by the BCTGM.

“We will not support a tax on working people’s health care benefits which are negotiated into collective bargaining agreements. Such a tax would threaten the employer-provided health care system. Employers would respond by increasing employee cost-sharing to a level at which benefits would become unaffordable for low-wage workers, or by eliminating benefits altogether.

“Taxing health care benefits would not bring down health care costs—it would just shift more of those costs onto workers. Working people who are covered by collective bargaining agreements should not be penalized by having their health benefits taxed,” concludes Hurt.

Hurt says that any health care reform proposal must stabilize and build upon the employer-provided coverage system. Other areas of reform supported by labor include:

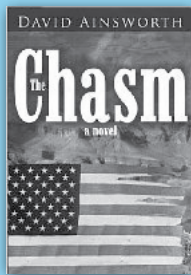
- Special assistance for firms that maintain coverage for pre-Medicare retirees, which will prevent further deterioration of the employer-based system;
- Health care delivery reforms to get better value from our system and containment of long-term costs; and
- Insurance market reforms, individual subsidies, Medicaid expansion and improvements to Medicare, which will help make affordable coverage available to everyone.

A public health insurance option, improving and making more efficient the way health care is delivered, and a pay-or-play option will generate significant savings and revenue to help finance health care reform.

Hurt says the BCTGM supports funding plans that include savings in Medicare and Medicaid, limiting the itemized deductions for households in the top two tax brackets and other modifications to reduce the tax gap, as well as making the tax system fairer and more progressive.



# Summer Reading



## The Chasm

by David Ainsworth

The global economy has been widely covered in nonfiction books, but “The Chasm,” by David Ainsworth, is the first novel that tells the painful story of the human impact of the globalization phenomenon and the U.S. trade deficit

on working Americans and their families. It is a story of the glorification of consumerism over the human values of citizenship, fair opportunity and the consent of the governed. There is a great deal of disturbing fact in this work of fiction. The author practiced maritime law in San Francisco for three decades and spent many years participating as an industry observer and informal negotiator in bilateral trade negotiations between the U.S. and Asian countries.

(Purchase online: <https://unionshop.aflcio.org>)



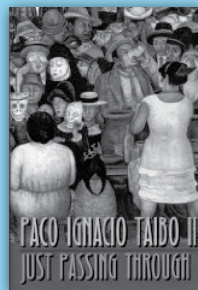
## Dreamland

By Kevin Baker

Kevin Baker’s “Dreamland” is a portrait of immigrant New York in the early part of the 20th century. This novel is full of vivid historical detail, from Lower East Side slang to the lyrics of popular songs. “Dreamland” features gangsters, feminist

strikers, the Lower East Side, Coney Island, Freud’s trip to America and the infamous Triangle Factory fire.

(Purchase online: <https://unionshop.aflcio.org>)



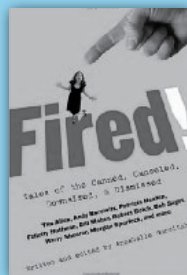
## Just Passing Through

by Paco Ignacio Taibo II

This adventure novel, “Just Passing Through” by Paco Ignacio Taibo II, is set in 1920s post-revolutionary Mexico. Originally published in 1986 in Spanish, the book is a rollicking, genre-defying, left-wing adventure. Amid a mixture of

telegrams, police reports and varied first-person accounts, Taibo himself becomes a character in his novel, offering political and philosophical musings. He travels back in time to 1920s Mexico to search for his elusive revolutionary protagonist, Spanish anarchist Sebastian San Vicente. In real life, there is some record of San Vicente in FBI records during the Woodrow Wilson era and some mention of him in anarchist records and rumor. In this book, the protagonist goes about his heroic avocation of organizing strikes against the capitalists, dodging thugs and hiding out from the Mexican Army. However, everyone is trying to figure out exactly who this hero is. For those north of the border, this English translation of the novel offers a playful glimpse into Mexican history.

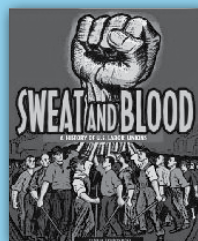
(Purchase online: <https://unionshop.aflcio.org>)



## Fired

The new book, companion to the film of the same name, “Fired!” written and edited by Annabelle Gurwitsch contains stories, memories, challenges and includes “Tales of the Canned, Canceled, Downsized, & Dismissed.”

(Purchase online: [www.laborheritage.org](http://www.laborheritage.org))



## Sweat and Blood: A History of U.S. Labor Unions

From the carpenters union in colonial Philadelphia to the strike in 2007 of Chinese restaurant delivery men, the history of how brave working people

struggled and formed unions. A powerful American story filled with drama and intrigue.

(Purchase online: [www.laborheritage.org](http://www.laborheritage.org))

# for Union Members & Activists







## First Contract Arbitration in Canada

**O**ne aspect of the recent fight over the Employee Free Choice Act in the United States is the inclusion of first contract arbitration in the legislation. In Canada, first contract arbitration has been part of the labor relations environment for decades and has benefited both labor and management.

First contract arbitration (FCA) is a mechanism that encourages good faith collective bargaining between a newly formed union and an employer. In most Canadian provinces, FCA gives the union or the employer the option of entering binding arbitration after 90 days of unsuccessful contract negotiations. According to a labor relations official in Saskatchewan, FCA has resulted in “a decrease in claims of unfair labor practices and a labor relations environment that is a little bit more stable.”

Why is first contract arbitration necessary? In both Canada and the United States, most employers fight their employee’s initial attempts to unionize by hiring high-paid consultants and by engaging in unfair labor practices to deter unionization. If workers do choose to form a union, many employers attempt to stall negotiations until bargaining is at a standstill. The result is that the support employees may have had for their union during the election and certification process is diminished. Without a contract the union cannot make good on its promises to improve wages and working conditions.

In Canada, first contract arbitration is widespread and has been shown to benefit both labor

and management. A recent study of Canadian firms between 1976 and 2005 found that FCA reduces work stoppages during the first contract period by at least 50 percent.

According to a report by the Economic Policy Institute, in most cases the prospect of a third party making contract decisions gives both parties the incentive to reach an agreement on their own. On average in Canada, only 1.4 percent of collective bargaining agreements with newly certified unions are actually imposed. Critics of FCA claim that unions will simply put off bargaining in hopes that an arbitrator will impose a favorable contract, but this is not borne out by the facts.

### Different Systems of FCA in Canada

**Quebec**—Applications for arbitration are first reviewed by the Minister of Labour, who may refer them to a Canadian provincial Labour Board. The applicant must provide evidence of bargaining in bad faith or that bargaining has become dysfunctional (reached a standstill). This form of FCA introduces a political element to the process not characteristic of other forms of arbitration and it involves an extra layer of screening. The parties are least likely to apply for arbitration under this method of FCA used.

**No-Fault (Ontario from 1996-2005, Saskatchewan since 1994)**—The application for arbitration is sent directly to the Labour Board together with evidence that the parties have bargained to impasse.

**Mediation-Supported (British Columbia since 1993)**—When parties reach an impasse in negotiations and a strike vote has been passed, either party may apply to British Columbia’s Labour

### WHY THE U.S. NEEDS SOME FORM OF FCA

One study found that between 1999 and 2004, only 38 percent of unions established by a majority vote and certified for collective bargaining by the National Labour Relations Board were successful in reaching a first contract within one year, and only 56 percent obtained a contract within two years.

Board, which calls for mediation. The mediator encourages the parties to reach agreement, but if an agreement is not reached within 20 days, then the mediator can recommend the parties to a third party with powers of arbitration. This third party has the power to arbitrate small unresolved issues, undertake broader arbitration, or to let a work stoppage take place. Mediation-supported FCA yields more applications but generates the fewest imposed contracts.



# SUMMARY OF MATERIAL MODIFICATIONS

## Bakery and Confectionery Union and Industry Pension Plan

*The following is a Summary of Material Modifications the Board of Trustees of the Bakery and Confectionery Union and Industry International Pension Fund has made to the Bakery Confectionery Union and Industry International Pension Plan from July 2007 through June 2009. You should keep a copy of this Summary until you receive an updated copy of the Pension Fund's Summary Plan Description.*

### 1. ALTERNATE HUSBAND AND WIFE OPTION

A Participant eligible for a Pension under the Plan with a Pension Effective Date of January 1, 2009 or after, including a Disability Pension, may elect an Alternate Husband and Wife Option which provides that the monthly amount paid to a Surviving Spouse is equal to 100% of the monthly amount paid to the Participant or is equal to 75% of the monthly amount paid to the Participant.

The Alternate Husband and Wife Options will not be effective under any of the circumstances stated in Article VI, Section 6.06(a). In addition, if the Participant dies before the Effective Date of Pension, the election of the Alternate Husband and Wife Option will be cancelled and the Pension will be paid in accordance with Article VI, Section 6.04.

Only the Participant can elect the Alternate Husband and Wife Option.

The 36 month guarantee does not apply to the Alternate Husband and Wife Option.

### 2. 75% HUSBAND AND WIFE PENSION

This Pension will pay an actuarially reduced benefit to you during your lifetime, then after you die your surviving spouse will receive 75% of the monthly benefit you were receiving. In order to



pay for this extra benefit to your surviving spouse, the benefit you receive during your lifetime will be smaller than it would be under the 50% Husband and Wife Pension.

### 3. 100% HUSBAND AND WIFE PENSION

This Pension is like the 75% Husband and Wife Pension, except that after you die your surviving spouse will receive 100% of the monthly benefit you were receiving during your lifetime. In order to pay for this extra benefit to your

surviving spouse, the benefit you receive during your lifetime will be smaller than it would be under the 50% Husband and Wife Pension or the 75% Husband and Wife Pension.

### 4. HOW TO ELECT 75% AND 100% HUSBAND AND WIFE PENSIONS

If you will have a Pension Effective Date of January 1, 2009 or later, you must elect the 75% or the 100% Husband and Wife Pension during the period that starts 90 days before the pension effective date and ends 90 days after the pension effective date. (The pension effective date is the first day of the month when your pension begins.) Only you, the Participant, can elect the 75% or 100% Husband and Wife Option: your surviving spouse cannot elect it after your death. In addition, you must be alive on

the pension effective date for the 75% or 100% Husband and Wife Option to be effective. If you die before the Pension Effective Date, your spouse will receive the benefit payable when the Participant dies before retirement as described under Participant-Married in the SPD.

Under the Rules and Regulations that were in effect for pensions that began before January 1, 2009, there was a one-year waiting period before the 75% or 100% Husband and



Wife Pension could take effect. If your Pension Effective Date was before January 1, 2009, and you have not completed that one-year waiting period, your benefit will continue to be paid as a 50% Husband and Wife Pension until the end of that one-year period. If both you and your spouse are alive one year after the effective date of your pension, your benefit will be converted automatically to the 75% or 100% Husband and Wife Pension, whichever you chose at retirement. If you should die during that first year, however, your spouse will receive 50% of your monthly benefit for the remainder of his or her life and your election of the 75% or 100% Husband and Wife Pension will have no effect. If your spouse dies during that first year, your benefit will continue to be paid as a 50% Husband and Wife Pension for your lifetime (unless your pension began before January 2000 and you chose the Husband and Wife Pop-Up Option as described under "Husband and Wife Pop-Up Option" in the SPD. If so, your benefit will return to

the amount it would have been without the 50% Husband and Wife Pension if your spouse dies while you are alive).

## 5. DIRECT ROLLOVERS

For distributions made on or after January 1, 2008, any Participant or surviving spouse who receives an eligible rollover distribution, as described in Article VIII, Section 8.21(c), has the additional option of rolling that distribution over to a Roth IRA described in section 408A of the Internal Revenue Code.

## 6. CERTAIN BENEFICIARIES DISREGARDED

Notwithstanding any other provision of the Plan, in the event that any Beneficiary of a Participant (including a spouse) is found guilty of a crime other than an offense based solely on negligent or reckless acts, and that crime caused or contributed to the death of the Participant, no benefits will be payable to that Beneficiary on account of the Participant's death.

The benefits that would otherwise be payable, or the actuarial equivalent of those benefits, will instead be paid to another person or persons as determined by the Plan (but disregarding the person who is disqualified from receiving benefits).

If the benefit would have been paid in the form of a life annuity, but the person to whom it will be paid pursuant to this rule is not eligible for a life annuity under the Plan, the benefit will be paid in the form of a lump sum benefit that is the actuarial present value of the benefit that would have been payable apart from this Section, calculated in accordance with Article VIII, Section 8.20(c). If the benefit would have been paid in a form other than a life annuity, the alternate beneficiary will receive a benefit in the same form and amount that otherwise would have been paid.

The Trustees may suspend payment of benefits to a Beneficiary while criminal proceedings are pending.

## Local 22 Celebrates 140 Years of Proud Union Membership

*Recently BCTGM Local 22 (Twin Cities, Minn.) honored several longtime members with plaques celebrating their years of union dedication. Pictured here are those Local 22 honorees.*



L. 22 Vice Pres. Bruce Peglow (right) congratulates member Leon Washington (left) of Dakota Growers Pasta Company on his more than 40 years with the union.



L. 22 Pres. Ron Mohrland (right) presents Levell Jones (left) with a plaque celebrating his 50 years of union membership and Darlene Martin (center) with a plaque recognizing her 49 years of dedication. Both Levell and Martin were employed by Old Dutch Foods.

## Local 57 Award

BCTGM L. 57 Fin. Secy. Vester Newsome was recently presented with an award from the Columbus American Legion Color Guard for the local's support and contribution of the Veteran's group. Pictured here (center, right) is Newsome accepting the award.



## Team EFCA

BCTGM L. 358 (Richmond, Va.) members decided they needed to fully promote their support of the Employee Free Choice Act and named the local's softball team after the measure. Sponsored by the Central Virginia Labor Federation and pictured here, the L. 358 Employee Free Choice Act team was undefeated at the time of press.

## Organizing and Education

L. 85 (Sacramento, Calif.) recently hosted a union organizer from Columbia who came to California to learn about U.S. labor unions. Pictured here (left to right) is L. 85 Secy.-Treas. Marty Zimmerman, L. 85 Vice Pres. Jerry Gil and Gabriel Perez Puentes, the Columbian trade unionist.



Pictured here are L. 85 shop stewards who attended an educational training at the local union hall on June 23.





## Three BCTGM Family Members Awarded Union Plus Scholarships

### Meet the 2009 BCTGM Scholarship Honorees

Please visit [UnionPlus.org/Scholarships](http://UnionPlus.org/Scholarships) for information on eligibility and to apply for next year's scholarships.

Three BCTGM family members are among the recipients of the 18th Annual Union Plus Scholarship Awards.

- » **Stephanie Lau** of Oakland, CA, whose father Chen Po Lau is a member of BCTGM Local 125, has been awarded a \$3,000 scholarship.
- » **Elizabeth Soc** of Alexandria, VA, whose mother Thanh Hoa Ly is a member of BCTGM Local 118, has been awarded a \$2,000 scholarship.
- » **Jeffrey Vargas** of New Rochelle, NY, whose father German Vargas is a member of BCTGM Local 69, has been awarded a \$1,000 scholarship.

**Stephanie Lau** has learned her lessons from literature as well as life. In Upton Sinclair's *The Jungle*, she read of immigrant families abused by industry and suffering dire consequences. By comparison, she says, "my father was able to have paid time off and not risk losing his job because he was protected by the rights the unions fought for." Valedictorian of her high school class, Stephanie has not declared her major, but is interested in science and education.

**Elizabeth Soc** has lived her life with a sense of duality. "I am a Vietnamese American who grew up in two different worlds. At home I was taught to be very respectful, but strong. Outside my home, I learned to speak my mind and stand up for my rights." She has carried this sense of the world's complexity with her as she has pursued academics and aspired to a career in law. "I have been disadvantaged in society but truly blessed in life. The key to justice prevailing is training and equipping young people like myself to counter injustice."

**Jeffrey Vargas'** father became a BCTGM member when Jeffrey was 2 years old and, he notes, "my family benefited right from the beginning. It left me with a sense of security knowing my father had a secure job." Because of the security of union pay and benefits, Jeffrey says, "my future aspirations never seemed to be out of reach." He has excelled academically and pursued numerous extracurricular activities and opportunities for community service, while aspiring to a career with the Secret Service. "The government needs people with leadership capabilities, strong determination and a will to protect what's most important in America," he says.

Union Plus Scholarship awards are granted to students attending a two-year college, four-year college, graduate school or a recognized technical or trade school. Since starting the program in 1991, Union Plus has awarded \$2.8 million in education funding to 1,813 union members, spouses and dependent children. Recipients are selected based on academic ability, social awareness, financial need and appreciation of labor.

# Help Define BCTGM History!

The 38<sup>th</sup> Constitutional Convention of the BCTGM International Union will be held July 28 – August 3, 2010 in Las Vegas. What theme should define this historic gathering of the BCTGM?  
**We want you to help us decide!**

The 2006 Constitutional Convention theme was "Building Strength through Solidarity" and was reflective of maintaining our strength and unity during difficult times. What theme should define the BCTGM's 38<sup>th</sup> Constitutional Convention in 2010? Please send us your ideas. **If your theme is chosen, we will send you a \$50 gift card!**

Send your theme idea, your name, local union number and contact information to:

BCTGM International Union  
Convention Theme Contest  
10401 Connecticut Avenue/4th Floor  
Kensington, Md. 20895  
[bctgmwebmaster@bctgm.org](mailto:bctgmwebmaster@bctgm.org)

**The official theme will be announced in the  
November/December BCTGM NEWS!**